GOVERNMENT OF INDIA
PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS
LOK SABHA

UNSTARRED QUESTION NO:432
ANSWERED ON:22.02.2006
WITHDRAWAL OF PREFERENTIAL TREATMENT TO KENDRIYA BHANDARS
Chakraborty Shri Ajay;Mehta Shri Bhubneshwar Prasad;Reddy Shri Suravaram Sudhakar;Shakya Shri Raghuraj Singh

Will the Minister of PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS be pleased to state:

(a) whether the Government has withdrawn the preferential treatment given to the Kendriya Bhandars for supplying stationery and other items to the various departments and the facility of rent free Government premises occupied by these Bhandars and its offices;

(b) if so, the details thereof and the reasons therefor;

(c) whether the closure of these outlets would adversely affect the interest of its workers including lakhs of Government employees who purchase their groceries from these outlets;

(d) if so, the details thereof; and

(e) the measures taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS.(SHRI SURESH PACHOURI)

(a) & (b): In relaxation of the provision of General Financial Rules (GFR) 1963, orders were issued in 1981 providing for mandatory purchase of stationery and other items by Government Departments etc. from Kendriya Bhandar (KB). The GFRs have since been revised and the GFR, 2005 has come into effect from 1.7.2005. Accordingly, the relaxation accorded under the earlier GFR is no longer available.

The Government has also decided that the Government accommodation allotted to Kendriya Bhandar would be got vacated in a phased manner over three years and till such time, Kendriya Bhandar will pay market rate of licence fee for the accommodation occupied by it.

Kendriya Bhandar has been making substantial profit and has also built up a large reserve fund. Protection/preferential treatment from Government may not now be indispensable for its survival.

(c) to (e): At present, there is no proposal for closure of the kendriya Bhandar.